

This paper was written by Timothy Dewhirst, University of British Columbia.

The opinions expressed are those of the author and do not necessarily reflect those of Health Canada or Physicians for a Smoke-Free Canada I will review several tobacco industry documents that have become publicly accessible through various court proceedings. All tobacco industry documents referred to within this presentation became available through (1) the Canadian trial to decide the constitutionality of the Tobacco Products Control Act and (2) the trial involving the Minnesota State Attorney General (and insurers) as plaintiffs and the U.S. tobacco industry as defendants.* The documents provide important insight into the reasons that male youth begin smoking and reflect that youth are the important starter market. Based on their marketing research findings, tobacco manufacturers have promoted and positioned particular brands that are intended to appeal to the beliefs, attitudes, moods, and desires of male youth.

*Pollay and Lavack (1993) provided a thorough discussion about the tobacco industry documents that were manifest in the Canadian proceedings assessing the constitutionality of the Tobacco Products Control Act. Cunningham (1996) also referred to several marketing documents that made it onto the trial record during the same proceedings. Glantz, Slade, Bero, Hanauer, and Barnes (1996) thoroughly examined over 4,000 pages of internal documents from Brown and Williamson Tobacco Corporation, and its multi-national parent, British American Tobacco. Finally, Perry (1999) reviewed hundreds of industry documents that became available during the discovery process of the Minnesota litigation. Perry illustrated that U.S. tobacco manufacturers directed specific marketing campaigns toward underage youth and regarded such youth as essential to its sustained business success.

Youth Are The Starter Market

- Declining smoking rates among Canadian youth aged 15-19 years not only have halted, but appear to be headed upward
- Beginner smoking peaks at ages 13 and 14

(Youth Smoking Survey, 1994; National Population Health Survey, 1996/1997)



Health officials are particularly concerned with the smoking behaviour displayed by youth. Surveys by Statistics Canada indicate that smoking among adolescents increased from 1991 to 1997. In 1991 23% of individuals aged 15 to 19 were smokers, while three years later this ratio had increased to 27% (Taylor, 1994). The *National Population Health Survey* indicates that 29% of youth aged 15 to 19 were current smokers during 1996/1997 (Health Canada, 1999). It is alarming that the prevalence of smoking among Canadian youth has begun to increase because smokers usually begin during their preteen or teenage years. The pivotal period for smoking onset is ages 13 to 14 and if smoking acquisition is not apparent through adolescence, it is highly unlikely the individual will ever become a smoker (Health Canada, 1996).



Targeting the Youth Market

I.T.L. HAS ALWAYS FOCUSED ITS EFFORTS ON NEW SMOKERS BELIEVING THAT EARLY PERCEPTIONS TEND TO STAY WITH THEM THROUGHOUT THEIR LIVES.

I.T.L. CLEARLY DOMINATES THE YOUNG ADULT MARKET TODAY AND STANDS TO PROSPER AS THESE SMOKERS AGE AND AS IT MAINTAINS ITS HIGHLY FAVORABLE YOUTHFUL PREFERENCE.

Purdy Crawford, CEO, IMASCO, 1989

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Purdy Crawford is the Chairman of Imasco Limited and has served on the Board of Directors since 1973 (Imasco Ltd, 1999). Imperial Tobacco Ltd, Canada's largest tobacco manufacturer, is entirely owned by Montreal-based Imasco Limited, which in turn is controlled by British-based tobacco conglomerate B.A.T. Industries plc (Cunningham, 1996).

Crawford's words were echoed two years later in an internal statement by his colleague, Jean-Louis Mercier, the Chairman of Imperial Tobacco:

"The under 25 year old smokers continue to show the highest level of potential for ITL activities. The model that sees young customers acquiring their preferences and staying with them as they age is increasingly valid." (Industry review, p. 201824854)

The tobacco industry's survival is reliant upon the replacement of dying or quitting smokers. In attempts to recruit new smokers, tobacco companies recognize that if people do not start smoking as adolescents, it is highly unlikely they will ever become smokers. As stated previously, the pivotal period for establishing the smoking habit is ages 13 to 14 (Health Canada, 1996).

[&]quot;The Industry" Purdy Crawford, CEO of IMASCO outlines impact of C-51 to the Chairman's Advisory Conference. Prepared for British American Tobacco.

Stay Forever Young

If the last ten years have taught us anything, it is that the industry is dominated by the companies who respond most effectively to the needs of younger smokers.

ITL. Overall Market Conditions - F88, AG-214

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Time and time again, in general market reviews and other documents, selling cigarettes to youth would be seen as a key feature of overall marketing strategies. For example, Imperial Tobacco Ltd documents, *Fiscal '80 Media Plans* and *Fiscal '81 National Media* plans include the age category 12-17 among the identified target groups for several of the company's brands. In 1980, the creative focus for Player's advertising was defined this way:

"Creative Focus. All Player's advertising will focus their appeal on young males* 24 years old and under (*activities and scenarios should be seen as inspired by the male but appropriate for feminine participation). (Trademark, 689451899).

In 1984, at a major BAT conference in England, Imperial Tobacco Ltd researchers had this to say:

"Since our future business depends on the size of this starter population set, it was considered important that we know why people start to smoke and this may be more important than why they continue to smoke." (PSC69, 109869362).

In 1988, Imperial Tobacco Ltd noticed that its "trademarks and brands were aging slightly as as adopters from the 1970s and early 1980s grow older with their preferred brands." Nevertheless, they were determined to capture share among younger smokers "in spite of the share performance they may develop among older smokers." (AG-214, p6 (39429)).

Quebec Court of Appeal, Montreal, Case Number 500—0-01296-912 and 500-09-001297-910, 1991, Joint Record, Exhibit Number AG-214, Volume 190, p. 6 (39429)

Advertising Linked To Youth Tobacco Use

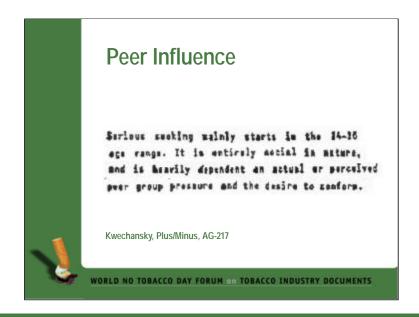
Since how the beginning smoker feels today has implications for the future of the industry, it follows that a study of this area would be of much interest. Project 16 was designed to do exactly that - learn everything there was to learn about how smoking beings, how high school students feel about being smokers, and how they forsee their use of tobacco in the future.

Kwechansky, Project 16 AG-216

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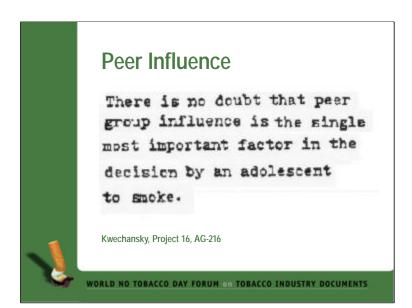
Market research for Imperial Tobacco Ltd studied male and female participants that were entirely aged 16 and 17, attending high school, and smokers of at least five cigarettes per day. The study, titled *Project 16*, was conducted in Ontario despite the fact that it was illegal to sell cigarettes to people less than 18 years of age in this province (Cunningham, 1996). The purpose of *Project 16* was to learn about how smoking begins, how high school students felt about being smokers, and to gain foresight about their use of tobacco in the future.

Kwechansky Marketing Research Inc. (1977, October 18). Project 16. Report for Imperial Tobacco Ltd. Exhibit AG-216, RJR-Macdonald Inc. v. Canada (Attorney General).



Most initial smoking experiences occur in a social context in the presence of peers (Friedman, Lichtenstein, & Biglan, 1985). If adolescents smoke with other peers that are smoking, they are more likely to gain approval (Conrad, Flay, & Hill, 1992). Within the document *Project 16*, the title "How Smoking Begins" follows with the sub-title "Peer Influence Is Everything". Smokers may exert explicit peer pressure (in the form of taunting and goading) on non-smokers with the intention of getting the latter to smoke. Such peer pressure typically takes place around the age of eleven to thirteen. During other occasions, the beginning smoker is copying a specific member of the peer group that is respected and admired. *Project Plus/Minus*, another report for Imperial Tobacco Ltd, states that smoking is social in nature and is heavily dependent on actual or perceived peer group pressure and the desire to conform. Cigarettes are considered by many youth as a social catalyst.

Kwechansky Marketing Research Inc. (1977, October 18). Project 16. Report for Imperial Tobacco Ltd. Exhibit AG-216, RJR-Macdonald Inc. v. Canada (Attorney General).



While youth may be greatly influenced by peers because they have difficulty resisting peer pressure, Chassin, Presson, and Sherman (1990) recognize that there is a bi-directional relation between cigarette smoking and peer smoking models. Adolescents are not merely passive recipients of direct peer pressure. Rather, adolescents often choose friends that demonstrate similar attitudes, beliefs, and activities. Social influence processes must be understood in the context of the youth's identification with particular subgroups (Eiser et al., 1991).

Kwechansky Marketing Research Inc. (1977, October 18). Project 16. Report for Imperial Tobacco Ltd. Exhibit AG-216, RJR-Macdonald Inc. v. Canada (Attorney General).

Adolescent Rituals

It's not just smoking itself. It's also the ritual of smoking, the passing around of eigerettes, the doing of something in common, the distinctions between people on the basis of what type of brand they smoke

Kwechansky, Project Plus/Minus, AG-217

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Once regular smoking begins, typically between the ages of fourteen and seventeen, cigarette use and interaction among peers becomes important. The ritual of smoking includes a highly specialized language. Adolescents repeatedly use specific phrases and terms (e.g., "heaters", "head rush", "nic fit", "bumming", "buzz", and "decks"). Moreover, it is necessary for adolescents to learn the proper way to hold a cigarette, light a cigarette, and inhale and exhale while smoking. It takes time for adolescents to learn the rituals of smoking since the rituals are highly scripted and formalized. Once adolescents demonstrate knowledge about the rituals of smoking, there is likely to be acceptance among peers (McCracken, 1992).

Kwechansky Marketing Research Inc. (1982, May 7). Project Plus/Minus. Prepared for Imperial Tobacco Ltd. Exhibit AG-217, RJR-Macdonald Inc. v. Canada (Attorney General).

Male Adolescent Smoking Culture

- Propel themselves into maturity and look older
- Opportunity to sample "forbidden fruit"

Trying a digaratte is simply one more among many first wentures into the adult world they are still years away from but which they wish would arrive sooner.

Kwechansky, Project Plus/Minus, AG-217

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Psychological dimensions operative among male youth:

(1) <u>Propelling Themselves into Maturity and Looking Older</u>

Why does the *peer group* smoke? One possible answer to this question is adolescents view smoking as a way to propel themselves into maturity. Jessor and Jessor (1977) claim that adolescent problem behaviours typify premature transitions to adult activities in violation of age norms. Such adolescents may engage in a variety of "problem behaviours" in addition to smoking. For example, they may also be consuming coffee, alcohol, marijuana, or other drugs.

(2) Sampling Forbidden Fruit

According to the Imperial Tobacco Ltd documents *Project 16* and *Project Plus/Minus*, adolescents are attracted to smoking because it represents an opportunity to sample "forbidden fruit". Adolescents use cigarettes as a symbol (as they may also use coffee, alcohol, or marijuana) to indicate they are growing up, ready to make the transition from childhood to adulthood. Smoking allows adolescents to differentiate themselves from younger kids and meanwhile demonstrate that they share things in common with the older kids they admire (McCracken, 1992). "Moving up in the world" has been identified as a key enduring want among younger adult smokers and adult status is a perceived benefit of starting to smoke (Burrows, 1984; Short, 1977).

Kwechansky Marketing Research Inc. (1982, May 7). Project Plus/Minus. Prepared for Imperial Tobacco Ltd. Exhibit AG-217, RJR-Macdonald Inc. v. Canada (Attorney General).

Male Adolescent Smoking Culture

- · Asserting independence
- Acting rebellious

The adolescent seeks to display his new urge for independence with a symbol, and cigarettes are such a symbol

Kwechansky, Project 16, AG-216

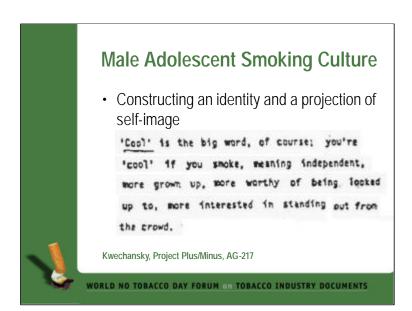
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(3) Asserting Independence

Youth may smoke to indicate they are ready to make their own choices rather than obey the sentiments of parents, teachers, and other authority figures. Early experimentation often reflects the youth's desire to discover for themselves what smoking is all about, as opposed to listening to what everyone else has to say (Kwechansky Marketing Research Inc., 1977; 1982). Smoking a cigarette is "a statement, a naughty adventure, a milestone episode" (Kwechansky Marketing Research Inc., 1977, p.18). Identified wants of younger adult males include "doesn't follow a crowd", "lives by own set of rules", "stands up for beliefs", "not afraid to express individuality", and "won't settle for ordinary" (RJ Reynolds, 1987). Youth assert independence by shifting their values from those of the parents to those of their peers.

(4) Acting Rebellious

"Personality attributes respected by target smokers and inherent in their definition of cool include a degree of rebellion or non-conformity, along with the self-confidence to remain in control of the somewhat risky, exciting lifestyle associated with these characteristics" (Caufield, 1986, p.4). Initial smoking experiences take place away from parental authority and the experience is often thrilling since it is being hidden from parental wrath. It is exciting to be doing something that you are not supposed to be doing (Kwechansky Marketing Research Inc., 1977).



(5) Constructing an Identity and a Projection of Self-image

One of the perceived benefits of continuing to smoke includes a *projection of self-image* (Short, 1977). Thus, it is not surprising to note that smoking onset typically occurs during times when self-image is threatened. Self-image or self-concept is most notably threatened among youth during the transition from grade 6 to grade 7 or grade 8 to grade 9 (Chassin, Presson, & Sherman, 1990). According to *Project 16*:

"...around the age of adolescence, a child's self-image seems to go through the same major changes that his body does. From being a reflection of and an extension of how their parents view them, the pubescent youth shifts towards independence, towards being what he thinks he wishes to become" (Kwechansky Marketing Research Inc., 1977, p.9).

An easy and simple way of selecting the self-image they wish to portray is to copy an admired and respected image. For adolescents that are identified as smokers, "the smoking behaviour of an admired peer is adopted, often along with their style of dress, favorite activities, and even mannerisms of speech" (Kwechansky Marketing Research Inc., 1977, p.15).

Kwechansky Marketing Research Inc. (1982, May 7). Project Plus/Minus. Prepared for Imperial Tobacco Ltd. Exhibit AG-217, RJR-Macdonald Inc. v. Canada (Attorney General).

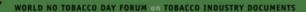
A Masculine, Strong, Tough Smoke

Product Characteristics

Strong-tasting...Higher tar content...
Regular length...Non-filter...Non-flavored

Advertised Image

 Independence...Freedom...Masculine Adventure...Excitement...Risk-taking



Male adolescents prefer brands considered to have a high taste impact. Brands that are typically popular among boys have higher tar content and are regular length cigarettes. Male adolescents strongly dislike low tar brands (Kwechansky Marketing Research Inc., 1977). Stronger brands are used to display one's maturity and toughness. Body sensations resulting from initial smoking experiences may include coughing, sickness, or dizziness. Due to their initial smoking experience, some time might elapse before youth are ready to try another cigarette. However, "for those who would one day return to smoking and persist, the heady preview of independence and breaking from authority was more memorable than any side effects from smoking itself" (Kwechansky Marketing Research Inc., 1982, p.10). Adolescents that start smoking do not disbelieve the health implications of smoking, but they almost universally assume these risks do not apply to themselves since they do not anticipate becoming addicted (Kwechansky Marketing Research Inc., 1982).

Fry (1971) provides an analysis of Canadian smoker personality traits and Canadian brand preferences. Study participants characterized the Belvedere, du Maurier, Matinée, Peter Jackson, and Rothmans brands as milder, more feminine, and more elegant than Export and Player's. Export and Player's were highly preferred among working class males, who also typically demonstrated a need for social recognition. Fry indicated that brand selection was likely a reflection of the brand's popularity among their social contacts.

Reference: Vitz, P.C. & Johnston, D. (1965). Masculinity of smokers and the masculinity of cigarette images. <u>Journal of Applied Psychology</u>, 49, 155-159.

Player's Promotions

Since 1971, I.T.L.'s marketing strategy has been to position Player's as a "masculine trademark for young males". It has been our belief that lifestyle imagery conveying a feeling of independence/freedom should be used to trigger the desire for individuality usually felt by maturing young males.

Marketing Plans for Player's F'85, AG-219

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Player's and Export 'A' are Canadian cigarette brands likely identified by adolescents as essentially masculine in character. These brands are widely known as strong tasting cigarettes. Moreover, according to the Projects Stereo/Phoenix Final Report document, the emotional appeals provided in the Player's strategy include masculinity, freedom, and independence. "Freedom and independence are at the core of Player's positioning" (Marketing Strategy & Planning, 1985, p.5). Consumers also indicate that self-reliance is a logical extension of the freedom and independence dimensions. The *Player's 1988* document states that "in order to move Player's Light up on the masculinity dimension, we will continue throughout F'89 to feature creative which reflects freedom, independence and self-reliance in a relevant fashion for young males" (Imperial Tobacco Limited, 1987, p.4). The *Player's* Trademark F'81 Advertising document states that "lifestyle imagery" is to be maintained for each of the Player's brands and that the advertisements will continue to:

"... reflect the brand's popularity among young people, to demonstrate the social acceptability of these brands among the target consumer's peer group, and to place the products in scenarios and settings which invite the target consumer to easily associate a Player's brand with a pleasant lifestyle to which he will identify" (Chacra, 1980, p.1).

Quebec Court of Appeal, Montreal, *op. cit.* Chacra, F'81 Advertising, Imperial Tobacco, 1980, Exhibit Number AG-35, p. 14852.

Quebec Court of Appeal, Montreal, op. cit, Marketing Plans for Players, 1985- Forward, Exhibit Number AG-219, Volume 191, p. 39472

Player's Promotions

 The first advertising objective for the Player's Filter brand is:

To communicate that the brand is for those who make their own choice about what they do, for people who want to assert their own individuality, and who are seeking a more independent lifestyle.

Spitzer, Mills & Bates, AG-33

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The *Player's Filter '81 Creative Guidelines* document indicates advertisements should feature an activity practiced by people aged 16 to 20 or one that these people can reasonably soon aspire to (Imperial Tobacco Ltd, 1980). The advertising strategy of Player's Filter is confirmed within a folder labelled *Alan—Creative Guidelines F'82*:

"When image advertising is used in response to specific regional strategies, creative will continue to reflect a lifestyle realization of youthful self-expression, independence and freedom, with subject matter that is particularly relevant to <u>young males</u>" (Imperial Tobacco Limited, 1980, p.4).

The Player's Family: A Working Paper (1977) document, among its media objectives, proposes developing a media program that specifically speaks to those with a youthful, masculine lifestyle. The target market is identified as those under the age of 24. Finally, the Marketing Plans 1990 document reveals that the positioning objective for Player's is to establish an image as a popular, full-flavored masculine trademark for young people. The target market is identified as male smokers aged 18 to 25.

Ouebec Court of Appeal, Montreal, *op. cit.* Spitzer, Mils and Bates. The Player's Family: A Working Paper, Prepared for Imperial Tobacco Ltd., 25 March 1977, Exhibit Number AG-33, Volume 73, p. 14409).





The brand positioning of Player's and Export 'A' are very similar. Marketing research prepared for both Imperial Tobacco Ltd and RJR-Macdonald Inc. frequently compare the demographics, user image, and smoking behaviour of Player's and Export 'A' cigarette users. As stated in the *Projects Stereo/Phoenix Final Report*, "the common ground shared by Export 'A' and Player's Filter is lone masculinity in the context of outdoor, physical activity" (Marketing Strategy & Planning, 1985, p.17). The greatest strength of the Export family is that it appeals to smokers who seek "Virile Masculinity" in a cigarette brand (The Beaumont Organization, Ltd., 1982). Export 'A' smokers perceive themselves as rugged and adventurous and claim the brand enhances feelings of independence (RJR-Macdonald Inc., 1986). Export 'A' has been positioned as "the full flavour cigarette which offers maximum personal smoking satisfaction" (RJR-Macdonald Inc., 1977, p.54).

Quebec Court of Appeal, Montreal, *op. cit.*. Export family strategy document. Exhibit AG-222, Volume 191, p. 39552

Export 'A' Promotions

It is hypothesized that very young starter smokers choose Export "A" because it provides them with an instant badge of masculinity, appeals to their rebellious nature and establishes their position amongst their peers.

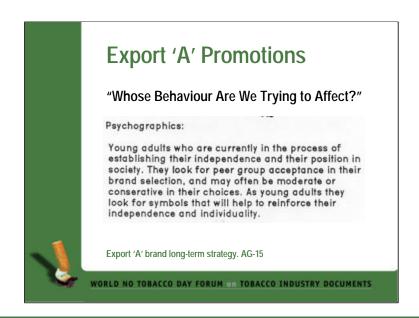
Export family strategy document, AG-222

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The Beaumont Organization, Ltd (1982) recommended that RJR-Macdonald Inc. explore symbols that integrate the themes of masculinity, peer group acceptance (among younger adult males), and pleasure into a single, comprehensible message. The Export and Player's brand families both have blue-collar, masculine images. However, marketing research found that the Export user image was more commonly associated with older, macho, blue-collar men in comparison to Player's.

Export 'A' advertisements reinforced this user image during the 1980s since loggers and truckers were commonly featured. Although the blue-collar truck driver image of Export 'A' may have been accurate, it did not capture the aspirations of youth (Pollay, 1998). To gain market share from Player's, The Beaumont Organization, Ltd claimed that Export 'A' must be dissociated from "low class", "grubby" overtones and become more appealing to the younger adult male peer group. The *Multi Brand Switching Study* reveals that younger smokers are essential to the Export market (RJR-Macdonald Inc., 1982).

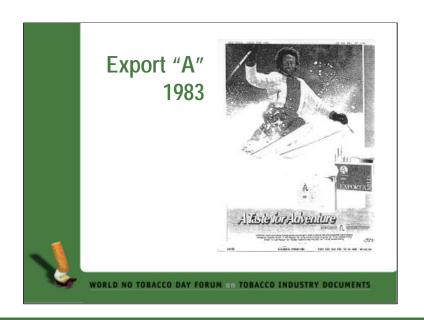
Quebec Court of Appeal, Montreal, *op. cit.*. Export family strategy document. Exhibit AG-222, Volume 191, p. 39552

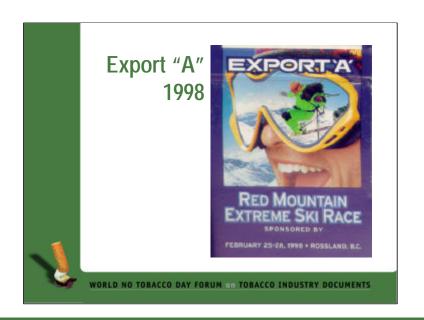


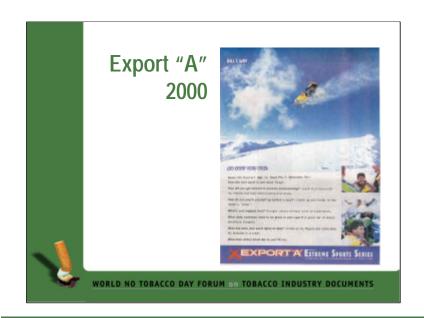
The Export "A" Brand Long-term Strategy document identifies these young adults as predominantly 18-24 year old males that are likely to enjoy attending rock concerts and sports events and spending time in bars and clubs. Another marketing study conducted for RJR-Macdonald Inc. claims that Export 'A' should continue to appeal to younger males that are sports oriented, drink beer, enjoy popular music, and commonly wear blue-jeans and t-shirts (McCann-Erickson Advertising of Canada Ltd, 1986).

The masculine, sports-oriented image of Export has been maintained through 2 decades of Export Advertising.

Quebec Court of Appeal, Montreal, *op. cit.*. Export "A" brand long-term strategy, October 21, 1987 . Exhibit Number AG-15, Volume 68, p. 13310.







Conclusion

- Brands and products have various symbolic meanings
- Brand imagery particularly important if little product differentiation
- The industry effectively engages in market segmentation
- To appeal to male youth, Player's and Export 'A' are Canadian cigarette brands associated with images of masculinity, maturity, independence, freedom, adventure, excitement, and risk-taking

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People associate brands and products with images that have various symbolic meanings (Dolich, 1969). It is particularly important for tobacco manufacturers to portray their brands with specific images since there is little product differentiation among cigarette brands. With the establishment and reinforcement of brand images, consumers will not view cigarettes as a generic commodity (Pollay, 1994). Pollay states:

"Put simply, the promotional communications (advertising, sponsorships, etc) work to establish a brand image that the user or potential user will appreciate and can easily appropriate by the simple acts of purchase, possession and consumption. By communications, the brand is given meaning and made to symbolize some desirable trait. The consumption, in turn, communicates something about the brand's social meaning to other potential users. The brand's image is built slowly and collectively by the package design and all of the accumulated associations and images of the advertising and sponsorship" (1994, p.5).

This presentation has focused on brands, such as Player's and Export 'A', associated with images of independence, masculinity, rebelliousness, excitement, and risk-taking.